

House File 2764 - Enrolled

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HOUSE FILE 2764

AN ACT

AUTHORIZING A SCHOOL DISTRICT TO SHARE ITS PORTION OF
INCREMENTAL PROPERTY TAXES WITH A CONTIGUOUS SCHOOL
DISTRICT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 279.63 TAX=SHARING AGREEMENTS.

A school district may enter into an agreement under chapter
28E with a contiguous school district for the purpose of
sharing all or a percentage of school district taxes collected
from that portion of valuation described in section 403.19,
subsection 2, that is released by the municipality to the
school district.

Sec. 2. Section 403.19, subsection 2, Code 2005, is
amended to read as follows:

2. That portion of the taxes each year in excess of such
amount shall be allocated to and when collected be paid into a
special fund of the municipality to pay the principal of and
interest on loans, moneys advanced to, or indebtedness,
whether funded, refunded, assumed, or otherwise, including
bonds issued under the authority of section 403.9, subsection
1, incurred by the municipality to finance or refinance, in
whole or in part, an urban renewal project within the area,
and to provide assistance for low and moderate income family
housing as provided in section 403.22, except that taxes for
the regular and voter-approved physical plant and equipment
levy of a school district imposed pursuant to section 298.2
and taxes for the payment of bonds and interest of each taxing
district must be collected against all taxable property within
the taxing district without limitation by the provisions of
this subsection. However, all or a portion of the taxes for
the physical plant and equipment levy shall be paid by the
school district to the municipality if the auditor certifies
to the school district by July 1 the amount of such levy that
is necessary to pay the principal and interest on bonds issued
by the municipality to finance an urban renewal project, which
bonds were issued before July 1, 2001. Indebtedness incurred
to refund bonds issued prior to July 1, 2001, shall not be
included in the certification. Such school district shall pay
over the amount certified by November 1 and May 1 of the
fiscal year following certification to the school district.
Unless and until the total assessed valuation of the taxable
property in an urban renewal area exceeds the total assessed
value of the taxable property in such area as shown by the
last equalized assessment roll referred to in subsection 1,
all of the taxes levied and collected upon the taxable
property in the urban renewal area shall be paid into the
funds for the respective taxing districts as taxes by or for
the taxing districts in the same manner as all other property
taxes. When such loans, advances, indebtedness, and bonds, if
any, and interest thereon, have been paid, all moneys
thereafter received from taxes upon the taxable property in
such urban renewal area shall be paid into the funds for the
respective taxing districts in the same manner as taxes on all
other property. In those instances where a school district
has entered into an agreement pursuant to section 279.63 for
sharing of school district taxes levied and collected from
valuation described in this subsection and released to the
school district, the school district shall transfer the taxes
as provided in the agreement.

CHRISTOPHER C. RANTS
Speaker of the House

JEFFREY M. LAMBERTI
President of the Senate

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3 5 I hereby certify that this bill originated in the House and
3 6 is known as House File 2764, Eighty-first General Assembly.
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3 10 MARGARET THOMSON
3 11 Chief Clerk of the House
3 12 Approved _____, 2006
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3 16 THOMAS J. VILSACK
3 17 Governor